

HEALTH RESOURCES AND SERVICES ADMINISTRATION

(dollars in millions)

	2000 <u>Actual</u>	2001 <u>Enacted</u>	2002 <u>Request</u>	Request <u>+/-Enacted</u>
Program Level.....	\$4,717	\$6,227	\$5,094	-\$1,133
Discretionary Budget Authority.....	\$4,575	\$5,576	\$5,019	-\$557
FTE.....	2,054	2,268	2,244	-24

SUMMARY

The FY 2002 budget request for the Health Resources and Services Administration (HRSA) is \$5 billion, a net decrease of \$557 million below FY 2001. Over half of this reduction is associated with one-time projects funded in FY 2001. Within the overall FY 2002 program level no funds are requested for the Ricky Ray Hemophilia Relief Act compensation program, which received a \$580 million multi-year appropriation in FY 2001. HRSA is the lead agency which has responsibility for ensuring access to health care through a wide range of programs for those who are uninsured, live in medically underserved areas, or have special health care needs such as people living with HIV/AIDS and people from different linguistic and cultural backgrounds. Through partnerships with States, local communities and universities, HRSA leverages funds to extend the reach of health care beyond Federal dollars.

INCREASING ACCESS TO HEALTH CARE FOR THE UNINSURED

Between 1988 and 1998 the number of uninsured grew by an average of one million people a year. Today, there are 42.6 million

people in the U.S. who are uninsured and at least 48 million who lack access to a regular source of health care. Many of our Nation's uninsured and medically underserved people live in inner-city neighborhoods and rural communities where there are few or no physicians or health care services. Three-quarters of the uninsured are in families where at least one person is working full-time. The uninsured are hospitalized at least 50 percent more often than the insured for "avoidable hospital conditions."

Community Health Centers: The budget proposes a presidential initiative to strengthen the health care safety net for those most in need, by providing a \$124 million increase, for a total of

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\$1.3 billion for Community and Migrant Health Centers. These Centers deliver preventive and primary care services for the neediest, poorest, and sickest patients in rural and inner city areas,

through a Federal, State, and community partnership approach. In these areas, Community Health Centers, with the National Health Service Corps (NHSC), are a proven cost effective component of the health care safety net, serving 11 million people, including 625,000 migrant farm workers and their families.

The additional \$124 million for Community and Migrant Health Centers will expand the delivery of primary health care services to up to an additional one million individuals by creating approximately 100 new sites and expanding service capacity at 100 existing sites. This increase is the first installment for a multi-year initiative to increase or expand community health center sites by 1,200.

COMMUNITY HEALTH CENTER SERVICES

	Actual FY 1999	Estimates FY 2001-2002
Mammograms	141,216	170,000
Pap Tests	944,483	1 million
Immunizations	1,795,211	2 million
HIV Tests	270,901	300,000

Reforming the National Health Service Corps: Since 1972, the NHSC, through its scholarship and loan repayment programs, has placed over 20,000 health care providers in areas with a health professions shortage.

Through a management reform presidential initiative, the NHSC will be better able to address the neediest communities. Examples of issues to be reviewed include examining the ratio of scholarships to loan repayments and other set-asides, as well as amending the Health Professional Shortage Area definition to reflect other non-physician providers practicing in communities. The NHSC initiative will also encourage more health care professionals to participate in the

NHSC by making scholarship fund tax free. These efforts will enable the NHSC to better define shortage areas and better target placements.

ORGAN DONATION

Today, some 75,000 Americans are on waiting lists for organ transplantation. In 1999, organs were recovered from only 6,000 cadaveric donors, and 22,000 transplants were performed. That same year, 6,100 Americans died while awaiting a

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transplant. The budget request includes \$20 million, an increase of \$5 million to launch a new national effort to encourage organ donation. In the coming year, HRSA will expand public information on organ and tissue donation. HHS will also conduct national and

regional ceremonies to honor donor families and living donors to further promote donor awareness. Ongoing efforts include grants to partner within the transplant, business, education, and religious communities to promote donor awareness, and grants will support demonstrations and studies of innovative approaches. Projects include identifying and implementing physician education strategies, working with attorneys to ensure donation discussions occur during estate planning, and conducting awareness campaigns with the clergy to promote donation within their congregations.

ABSTINENCE AND ADOPTION ACTIVITIES

Each year approximately one million pregnancies occur among teenagers aged 15-19. Almost 190,000 teens 17 years and younger have children. Their babies are often of low birth weight and have disproportionately high infant mortality rates. Teen pregnancy and sexual activity remain significant problems in communities across the country. By focusing on abstinence and personal responsibility, HHS hopes to help develop young people's abilities to make the choices that will lead to successful futures.

Abstinence Education Grants: In FY 2001, HRSA began to implement a new Community-Based Abstinence Education program which will provide support to public and private entities for the development and implementation of Abstinence Education programs for adolescents, ages 12 through 18, in communities across the country. This funding targets planning and implementation of community-based, abstinence-only educational interventions designed to reduce the rate of births to teenagers, the proportion of adolescents who have engaged in sexual intercourse, and the proportion of teenagers who have engaged in risk behaviors, such as tobacco, alcohol, and drug use. The President's Budget includes \$30 million, an increase of \$10 million, for these grants in FY 2002. For FY 2002, up to 95 grants are anticipated, 25 more than FY 2001.

The request also includes the \$50 million mandatory appropriation for Abstinence Education. This program provides grants to 59 States and territories to provide mentoring, counseling, and adult supervision to promote abstinence with a special focus on adolescents.

Adoption Awareness: The budget includes \$10 million for adoption awareness activities. This program, first funded in FY 2001, will provide grants to

organizations to develop and implement programs to train health centers and other clinics in providing adoption information and referrals to pregnant women. HRSA expects to fund 20 grants and train 600 health professionals. The program will also establish best practice guidelines on the provision of adoption information and referrals.

RYAN WHITE

The FY 2002 budget includes \$1.8 billion for the Ryan White HIV/AIDS program, to maintain the FY 2001 level. The Ryan White CARE Act Amendments of 2000 improved and expanded access to care for persons with HIV/AIDS. The Amendments focus on: expanding services to HIV-infected individuals who are not currently receiving care; linking CARE Act providers with other points of access to the health care system; establishing quality management programs; focusing funds on health care services and support services that are health care related; and increasing the service capacity of underserved communities. The President's Budget will support services to approximately 500,000 persons and provide pharmaceuticals to 72,000 persons during the year with HIV/AIDS.

MATERNAL AND CHILD HEALTH

The budget request includes \$709 million for the Maternal and Child Health Block Grant (MCH). The MCH Block Grant supports Federal and State partnerships to develop service systems to address the critical challenges in maternal and child health.

The budget also proposes \$90 million for the Healthy Start program which supports programs to reduce low birth weight, inadequate prenatal care, and other factors contributing to infant mortality, in targeted high risk communities. This program which previously had been operating as a national

demonstration program was authorized in the Children's Health Act of 2000. Targeting racial, ethnic, geographical and other disparate populations, the program will support 103 projects in FY 2002.

FAMILY PLANNING

The Family Planning program supports a network of 4,600 clinics nationwide serving more than 4.5 million people. Of these people, 89 percent have incomes below 200 percent of Federal poverty guidelines; 77 percent are below 30 years of age. These clinics provide access to such reproductive health care and preventive services as counseling, routine gynecological care, hypertension screening, screening and referrals for breast and cervical cancer, and substance abuse. Abstinence counseling and education are an important part of the program service protocol for adolescent clients. The FY 2002 budget request includes \$254 million, maintaining the FY 2001 support for Title X family planning activities.

PROGRAM MANAGEMENT

The President's Budget requests an additional \$9 million to HRSA. This increase will be used to meet Federal pay cost increases. It also includes \$5 million for information technology activities to improve data coordination across the various grant programs.

REDIRECTED RESOURCES

One-Time Projects: The FY 2002 budget does not continue one-time projects for which \$327 million was appropriated in FY 2001. This total includes \$251 million in Health Care Facilities, \$58 million in rural health and telehealth activities, \$10 million in the Denali Commission, \$5 million in the Maternal and Child Health Block Grant for special projects, and \$3 million in Program Management.

Community Access Program: The budget recommends eliminating \$125 million appropriated by Congress in FY 2001, for the relatively new, unproven, categorical Community Access Program. The Department will be working to integrate health care services and give States greater flexibility to merge and align health care delivery through existing channels, such as Medicaid waivers, the State Children's Health Insurance Program (SCHIP), and the Community Health Centers Integrated Services Delivery Initiative. Further, Community Health Centers and Medicaid have proven to be effective mechanisms for increasing access to care and health insurance coverage for the uninsured.

Health Professions: The budget includes \$140 million, a \$213 million reduction. These training grants were created almost 40 years ago when a physician shortage was looming. Today, a physician shortage no longer exists. To reflect changing priorities, the budget will recommend focusing resources on the Health Professions grants that address current health workforce supply challenges, such as the impending nursing shortage.

Children's Hospitals Graduate Medical Education: The FY 2002 budget includes a significant investment of \$200 million to support health professions training in free-standing children's hospitals. The budget proposal represents an effort to moderate spending. Congress, in FY 2001, expanded the program from \$40 million to \$235 million.

Small Categorical Programs: The budget includes a total of \$41 million, a reduction of \$9 million, for four small categorical programs including Universal Newborn Hearing Screening, Emergency Medical Services for Children, Poison Control Centers, and Trauma/Emergency Medical Services. These programs have received substantial funding increases in the past two years.

OTHER HRSA PROGRAMS

The budget proposes \$144 million for the remaining HRSA programs including Rural Health, Telehealth, State Planning Grants, Bone Marrow, Hansen's Disease, Black Lung, and Nursing Loan Repayment.

In addition, funds are not requested for the Ricky Ray Hemophilia Relief Fund. The total funding appropriated to date, \$655 million, is estimated to be sufficient to make payments on all eligible petitions received to date.

HRSA OVERVIEW

(dollars in millions)

	2000 <u>Actual</u>	2001 <u>Enacted</u>	2002 <u>Request</u>	Request <u>+/-Enacted</u>
Community Health Centers.....	\$1,019	\$1,169	\$1,293	+\$124
National Health Service Corps.....	114	125	126	+1
Organ Transplantation.....	10	15	20	+5
Abstinence Education (Advance from Prior Year).....	0	20	30	+10
Abstinence Education Grants to States.....	50	50	50	0
Adoption Awareness.....	0	10	10	0
Ryan White HIV/AIDS Activities.....	1,594	1,808	1,808	0
<i>(AIDS Drug Assistance Program)</i>	528	589	589	0
Maternal and Child Health Block Grant.....	709	714	709	-5
Healthy Start.....	90	90	90	0
Family Planning.....	239	254	254	0
Program Management.....	131	145	154	+9
Health Care Facilities.....	118	251	0	-251
Rural Health/Telehealth.....	98	137	79	-58
Denali Commission.....	0	10	0	-10
Community Access Program.....	25	125	0	-125
Health Professions Programs.....	302	353	140	-213
Children's Hospitals Graduate Medical Education.....	40	235	200	-35
Universal Newborn Hearing Screening.....	3	8	7	-1
EMS for Children/Poison Control Centers.....	20	39	32	-7
Trauma/Emergency Medical Services.....	0	3	2	-1
State Planning Grants.....	15	15	15	0
Bone Marrow.....	18	22	22	0
Hansen's Disease.....	22	20	20	0
Black Lung/Facilities/Nursing Loan.....	8	8	8	0
Ricky Ray Hemophilia Relief Program.....	75	580	0	-580
National Practitioner Databank (User Fees).....	14	17	17	0
Health Integrity & Protection Databank (User Fees).....	3	4	8	+4
Total, HRSA Program Level.....	\$4,717	\$6,227	\$5,094	-\$1,133
Less Funds Allocated From Other Sources:				
Abstinence Education Grants to States.....	50	50	50	0
Ricky Ray Hemophilia Relief Program.....	75	580	0	-580
User Fees.....	17	21	25	+4
Subtotal, Funds From Other Sources.....	\$142	\$651	\$75	-\$576
Total, HRSA Discretionary B. A.....	\$4,575	\$5,576	\$5,019	-\$557
FTE.....	2,054	2,268	2,244	-24